

MINUTES
MONTANA HISTORICAL SOCIETY
BOARD OF TRUSTEES MEETING
October 15, 2010
Auditorium at MHS, Helena, Montana

Montana Historical Society Board of Trustees members present: Jim Murry, Steve Carney, Sharon Lincoln, Ed Smith, Lee Rostad, Kent Kleinkopf, Jim Court, Janene Caywood, Crystal Shors, Shirley Groff, Jim Utterback and Thomas Nygard. Board Member Emeritus Bob Morgan was also present. **Excused from the meeting were:** MHS Board of Trustee members George Horse Capture, Steve Lozar and Jack Lepley.

Staff present: MHS Administrative Assistant Karen Rouns, MHS Administrator Denise King, MHS Museum Program Manager Jennifer Bottomly-O'looney, MHS Outreach and Interpretation Program Representative Ellen Bauml, MHS Publications Program Representative Christy Goll, MHS Membership Coordinator Rebecca Baumann, MHS State Historic Preservation Program Manager Mark Bauml, MHS Research Center Manager Molly Kruckenberg, MHS Public Relations Coordinator Tom Cook, MHS Special Projects Manager Susan Near,

Guests present: Montana History Foundation Executive Director Amy Sullivan and Montana History Foundation Development Officer Peter Hunter, Paula Stoll, Administrator, State Human Resources Division, and Rende Mackay, Senior Human Resource Generalist.

CALL TO ORDER

President Jim Murry called the meeting to order at 8:00 a.m.

REVIEW OF MINUTES

Ed Smith moved approval of the minutes from the July 16, 2010 Board of Trustee meeting. Kent Kleinkopf seconded the motion and it carried unanimously.

INTRODUCTION OF NEW MHS STAFF MEMBERS

Denise introduced the following new employees: Darla Cole, Accountant, Leslie McAfee, Human Resources Specialist, Michele Velez-Ferrara, Museum Store, Nicole Boileau, Guest Services. These employees will work in the Centralized Services Program. Denise also introduced Tammy Henderson, SHPO administrative clerk and Lindsay Matson, Photo Archivist. Mark Bauml announced that Kate Hampton will be returning to SHPO. She previously worked at SHPO as a National Register Coordinator from 2000 to 2008 and Kate has been rehired to be the new Community Coordinator. Jim Murry welcomed all of the new employees stating that this is an exciting place to work.

MONTANA HISTORY FOUNDATION

Amy Sullivan presented highlights of the Foundation's current activities. She stated that within the last year the Foundation has established a collaborative effort with the National Trust for Historic Preservation and the Montana Preservation Alliance. She noted that all three development teams have come together and are raising money for a Preserve Montana fund. The fund will give grants to communities, individuals, and government agencies across the State of Montana. Amy announced that the National Trust has declared this project to be one of the top funding priorities in the nation and they are using this as an example to use it in other states. Amy said the Foundation is ready, willing and able to help the Board in their efforts toward a new building. President Murry asked Peter Hunter if he would like to address the Board. Peter said he has 40 years experience in Foundation work and has longed to have the opportunity to work in Montana.

PRESIDENT'S REPORT-Jim Murry

President Murry stated he attended the History Conference noting that he didn't get as much time in the sessions as he would have liked to. He complimented the staff on their dedicated work in making the conference a success. President Murry explained that the announcement of Richard Sims' retirement was made and accepted by the Board on September 30th in executive session. The Board decided to wait to make any announcements of Mr. Sims' retirement until Monday. He explained that the History Conference started on Thursday and many of the staff members were out of the building helping with the conference and would not be back into the building until Monday. On Monday, President Murry met with MHS Program Managers, MHS staff members and also met with MHS union staff members to inform them of Mr. Sims retirement.

A copy of a memorandum calling for teamwork during this time of transition at MHS was distributed to the MHS staff from the Program Managers. The memo was presented to the Board for their review (the memo is made a permanent part of this record). Tom Nygard commented that MHS has the best staff in the world.

President Murry announced that state travel vouchers will once again be made available for Board members desiring financial reimbursement for Board activities under MCA code regulations.

MEMBERSHIP REPORT-Rebecca Baumann

Rebecca reported that for FY2010 there were 240 new members. As of this year, this date, there are 76 new members. Rebecca stated 283 members have not renewed. There are a total of 1,235 members (handout made a permanent part of the record). The annual membership day will be held November 4th at MHS and Rebecca encouraged Board members to attend.

Kent Kleinkopf asked Rebecca what kind of publicity is planned for this event. Rebecca responded that there will be press releases throughout the state, PBS and T.V. calendars. She said she hopes to open the doors showing folks what MHS has to offer and encourage members

who haven't participated for awhile to come see what is happening at the Society. Kent commented that he doesn't know how to convey to people the wonderful opportunity there is to see how much the Society has to offer. He still remembers his first visit and how impressed he was to see what is housed within the walls of the Society.

Denise King announced that Amy Sullivan shared a list of names and addresses of the Montana History Foundation Board of Trustees and there will be a special letter going out inviting the Board to renew or become members of MHS.

MUSEUM PROGRAM REPORT-Jennifer Bottomly-O'Looney

Jennifer said that the MHS Museum staff is some of the hardest working folks she knows and that they are excited about the Society's future. Jennifer announced that the Charlie Russell painting *When the Land Belonged to God* which has been on loan, is now back on exhibit at MHS.

Loan Requests

The Museum Program recommended that the loan request from Great Falls History Museum of Great Falls for Jim Todd painting titled *Easter at Hussmans*, be approved. **Kent Kleinkopf moved to honor this request. Tom Nygard seconded the motion and the motion carried unanimously.**

Jennifer stated the second loan request is from the Legislative Spouses Club. Jennifer explained there is a collection of art, which is a part of the Capitol art collection that is available to loan to select offices at the Capitol building as per Board policy. This request is a slight exception to the policy. The Legislative Spouses Club is requesting to show two prints *The Broadwater Hotel* and *Entrance*. If these paintings are not selected by the President of the Senate or the Speaker of the House they should be available to be put on exhibit in the Senate anteroom chamber. If this request is approved it is contingent upon the future President of the Senate accepting it. The Museum Program is neutral on this request and will leave this decision to the Board to decide. Tom Nygard commented that many of the Legislative spouses volunteer at MHS and there is a lot of interaction with us. **Jim Utterback moved to make the paintings available. Sharon Lincoln seconded the motion and it carried unanimously.**

Museum Collections Management Policy

Jennifer explained that this policy codifies all the activities that the Museum Program does and puts them into policy supplementing existing policy. **Jim Utterback moved approval of the Museum Collections Management Policy. Kent Kleinkopf seconded the motion and it carried unanimously.**

RESEARCH COMMITTEE-Molly Kruckenberg

October 2010 Deaccession List

Molly explained that the October 2010, Deaccession List is an attempt to remove non-Montana related materials from the Research Center. **Tom Nygard moved to approve the October 2010**

Deaccession List. Sharon Lincoln seconded the motion and the motion carried unanimously.

C. A. Arnold Papers

Molly explained that this is a small collection received in 2004, consisting of genealogical information. She noted that upon further review, it was realized that there is no relation to Montana. Arnold was actually from Wisconsin and when she contacted the Lafayette County Historical Society she was told they would like the collection. The donors were also contacted and they are fine with giving the collection to Lafayette County Historical Society. **Sharon Lincoln moved to accept the recommendation to transfer the C. A. Arnold papers to the Lafayette County Historical Society. Ed Smith seconded the motion and it carried unanimously.**

Harriet Miller Estate

Denise asked Molly to inform the Board about the boxes received in connection with the Harriet Miller Estate. Molly stated that eight boxes of speeches were received relating to Harriet's time as Superintendent of Public Instruction. The remainder of the boxes contained personal photographs. Molly said she hopes to get the materials catalogued, preserved and ready for viewing soon. Denise said that \$486,000.00 has been received to date and Molly has a proposal to use about \$10,000.00 for an intern and archival material to catalog all of the items.

OUTREACH AND INTERPRETATION PROGRAM REPORT-Ellen Baumler

Ellen stated that Kirby Lambert was attending the Western History Association meeting this week and next week he will be at the NEH Landmark Grant training. She announced that more than 250 people participated in the History Conference this year. There were attendees from all parts of Montana, Arizona, New York, Washington, North Carolina, Oregon, Pennsylvania, Texas, and Virginia. Ellen reported that not all of the bills have been submitted but the estimated expenses for the conference were \$28,091 and the estimated income was \$28,500. 12 teacher scholarships were given out this year to help teachers attend the conference and a few student grants were used this year. Sharon Lincoln commented that she did attend the conference and the sessions were wonderful. Sharon congratulated the staff on a fantastic job.

Announcement

President Murry stated that due to time constraints not all of the Program Managers were asked to attend this Board meeting. The Board will be spending time today discussing the search for a new MHS director.

FUNDRAISING WORKSHOP REPORT-Susan Near, Laura MacDonald

Susan presented the report from the consultants for the Board workshop held on September 30, 2010 (Benefactor Consultants report made a permanent part of this record).

TELEPHONE CONERENCE WITH BENEFACITOR CONSULTANT-Laura MacDonald

Laura gave an overview of the retreat and emphasized that the most helpful feedback came from Board members when they interviewed one another and identified some of the areas in which Board members are feeling strong about moving forward. Based on tabulations of those responses, a strong and promising platform has been seen. Laura said they are prepared to come back fairly soon with findings and recommendations from the feasibility study. Laura recommended a designated spokesperson to answer questions from the press. She noted that 14 interviews were conducted on site a couple weeks ago. The contract called for the consultants to conduct approximately 25 interviews and she felt confident they will hit that number. Susan Near commented that Laura will travel back to Montana to meet with the Governor on October 28th and she will conduct another dozen interviews. The next step will be to review all the interviews and give the Board an assessment. Jim Murry asked Laura about consultant plans for the next Board meeting. Laura said they are prepared to have a report back to the Board by the second or third week of December and encouraged moving the Board meeting up. Janene Caywood asked Laura if she could provide a report at this time on the first round of interviews. Laura said they weren't prepared to comment at this time, however, she did say they encountered a lot of support for the expansion of the museum and the creation of the Heritage Center. Susan said the people chosen for interviews were top notch and she would value what they had to say. Laura said the campaign will be built on a foundation of relationships. The consultant's job is to identify where there are pockets of support for the Historical Society and for the Heritage Center.

President Murry pointed out to Laura that guests were present at the Board meeting from the Montana History Foundation. Jim asked Amy Sullivan if she would like to ask any questions. Amy said a couple of their Board members were interviewed and there is support within the Board for the new Heritage Center and there are some donors on their Board. Amy said she would love to meet with Laura if she has time on her schedule.

CENTRALIZED SERVICES/FINANCIAL REPORT-Denise King

Denise King stated she appeared before the Legislative Finance Committee and presented goals and objectives for the next biennium. MHS goals and objectives have been accepted by the committee. The Legislative Fiscal Division (LFD) compiled a reference book which is LFD's idea of how to close the gap of the State budget. MHS is listed in Section E. The LFD has suggested that the cultural agencies (State Library, Arts Council and MHS) be combined. These entities have spoken against this idea. Denise reported that the Publications Program receives about \$140,000.00 a year in general fund support and the proposal is to reduce that general fund support. Denise said this would do considerable harm to this program.

Audit Committee Report

Denise reported that she and Richard appeared before the Legislative Audit Committee. There were three recommendations made by the committee and two of those have been resolved. One issue has become a perennial issue and that has to do with cataloging. Richard explained to the committee that cataloging is the story of an item and inventory is the location of the item. Jennifer Bottomly-O'Looney stated that it would take between 8 and 10 years to get the back log caught up with the current level of staff. This is an ongoing process. Jennifer said they really

are presently making headway on the backlog. Tom Nygard asked what the committee's comment is on this issue. Denise reported the committee suggests MHS stop accepting items into the collection. There was also a suggestion that all of the staff should stop their work and help with this process. Richard explained this process takes a unique set of skills and other staff members have their daily tasks to continue to provide services to Montana.

Board Expense Forms

Denise alerted the Board to look for the expense forms that are in their packets. She asked that the forms be signed and submitted for reimbursement.

MHS Grants

Denise reported that MHS has received numerous grants. SHPO has been successful in securing their fourth Preserve America grant at \$169,000. Mark Baumler noted this grant will focus on preservation planning in local communities. He pointed out that there were 25 or 30 grants issued in the nation. SHPO received the second highest amount of any organization.

The Research Center received two grants, the National Film Preservation Foundation grant and the SNAP grant. Molly Kruckenberg stated that this is the second grant MHS has received from the NFPF. They provide excellent support for preserving our film collection.

Outreach & Interpretation received approximately \$180,000. It is a two year grant from the National Endowment of the Humanities and it is referred to as the Landmark Grant. Ellen Baumler summarized that this is a grant to bring 80 teachers to Montana to study the three mining communities of Virginia City, Helena and Butte. 40 teachers will come for one week and then 40 teachers will come for a second week to study the culture that the mining industry produced. Ellen stated this takes a lot of staff participation. It is a partnership between George Mason University, Paula Petrik and the Montana Historical Society. It is expected that 400 teachers will apply and only 80 will be chosen.

Denise said MHS is partnering with the Office of Public Instruction in a fourth partnership grant called Best Practices Museum and Education. The grant is for \$194,000.

Museum Security

Denise contacted Brent Dahl, Administrator, Insurance Risk Management, to see if there was funding available to enhance the MHS security system. \$3,000 was received to upgrade the security system. Ed Smith asked Denise how many security guards are currently employed at MHS. Denise responded that there are 2 ½ positions.

Ed asked what level MHS is at currently from being fully staffed. Denise responded the MHS is down two positions. One position has been redefined into a guest services position.

Denise announced that Jennifer Bottomly-O'Looney will become the supervisor of the guards and the guest services counter. Jennifer stated she would like to see the vacant position filled

and she sees the expansion of the security system as critical. Shirley Groff asked about security camera use. Denise responded that the building is secure with an alarm system. The capitol guards are on duty 24/7 and they come through the building at night.

OGM – Department of Administration Study

Jennifer reported on the historic structure report presented by the Department of Administration (handout made a part of the permanent record). The report is for planning purposes for future work and to enhance the interpretation of restoration. The study report quoted \$16,000 for the Old Governor's Mansion. Denise stated the budget office has agreed to include a one-time only line item for the Historical Society for \$16,000 for the next biennium to complete this important study.

Charlie Russell Journal Project

Denise reported that currently there is \$124,000 in cash. A letter from Mr. Gruber pledging \$100,000 was received. Kirby Lambert and Jennifer Bottomly-O'Looney are working on the timeline when they will start working on this project. In November, they will do some research travel. Jennifer said they will be working with the Publications Program to create a Charlie Russell tabletop from the entire collection. Jim Court questioned the total cost of this project. Denise stated it is approximately \$140,000. Susan Near commented that a \$10,000 grant request was sent to PPL. Discussion took place on producing a video. Costs associated with producing a video are simply too high. The priority will be to produce a book.

Board of Trustee Elections

Denise said it is time for the election process according to the Board By-Laws. Officers are to be chosen in the third quarterly meeting of the calendar year. The Governance Committee members are as follows: Shirley Groff, Lee Rostad and Ed Smith.

A Bit of History

Denise presented a report of the librarian of the Montana Historical Society dated 1924 (handout made a part of the permanent record). It was amusing for the Board members to look back into history and note that some things never change.

MHS FINANCIAL REPORT

Denise reported that the fiscal year closed on target. She thanked the Program Managers for living under the austerity rules that have been implemented by the Governor's office. She presented financial schedules for FY2011 through September 30, 2010 (handout made a permanent part of the record). Denise noted that the last two pages of the report show MHS is on target with spending. Denise said other revenue streams are being looked at wherein MHS works with other State agencies for projects to offset some of the costs. For an example of this MHS will once again work with OPI. Jim Utterback requested the financial reports be distributed before the meeting so he has time to review the information. President Murry asked for a more detailed discussion of the financials at the January meeting.

NEW DIRECTOR SEARCH

Denise introduced Paula Stoll, Administrator of the State Human Resource Division, and Rende Mackay, Senior Human Resource Generalist, MHS assigned HR consultant. Denise explained that they will lead the discussion on the new director's search. Paula stated her purpose is to clarify whether or not the position that the Board is searching for is covered under the laws and policies that govern recruitment selection within the executive branch. She said this is clearly an appointed position so the extent the Board follows the policies is up to the Board discretion (handout is made a part of the permanent record).

President Murry asked Crystal Shors to address her concerns regarding the selection of a new director. Crystal stated better decisions are made when entering a process if time is spent thinking about what the outcome should be. Paula offered five steps in choosing a director (handout made a part of the record).

Crystal suggested the Board look at what the needs of the next three to five years will be for fundraising and to also look at the needs of a longer timeframe. Crystal noted that the consultants suggested three to five years to raise the money for building a new Heritage Center.

Jim Court questioned if the Board is looking for an interim director.

Tom Nygard asked if the Board is restricted in the amount of time an interim director can be employed. Paula said if the position was covered under state statute it would be limited to one year. Tom said it appears an interim director could be employed for as long as three years. Paula emphasized that in that case, the Board needs to make it clear to finalists the conditions of employment and this should be written in the employment offer. Tom Nygard asked Paula if the director's search needs to be a public pool process. Paula said it does not need to be a public process nor is the Board under any obligation to follow the state process. Ed Smith stated that this is a non-classified position. Rende suggested the Board first decide the process and then decide what skills are needed. Discussion took place on finding a person with fundraising skills, best practice skills in dealing with the public and someone to fulfill the mission of the Society.

Crystal suggested the Board needs someone who can represent MHS at the Legislature, who has passion and energy, can hit the ground running and someone who can do these things in the short and long term as MHS moves forward.

President Murry asked that the record show that Bob Morgan is present during this discussion.

Ed Smith emphasized the need for a director that can protect MHS assets MHS at the Legislature, given the toughness of the session. He presented a list of MHS Directors starting in 1951 (handout made a part of the permanent record). Bob Morgan said that the list shows the Montana natives have the most longevity. He said salary is a big obstacle. Jim Utterback stated that salary will be the biggest obstacle to overcome.

Kent Kleinkopf argued in favor of searching for an interim director for practical reasons stating number one priority is the Legislature. He said having worked on the search of the previous director, there was a lot of time and consideration put into the search and weather and travel will be difficult at this time of year. He simply doesn't feel that at this time, there is the luxury of time on our side for a nationwide search. Jim Court and Sharon Lincoln agreed with the idea of having an interim director as soon as possible.

Paula Stoll suggested looking at who will decide the successful candidate and then from there determine what the Board is looking for. She stated fundraising, management experience and previous Board experience is mandatory. Paula commented that the best indicator of a person's future success is going to be their past work experience. She highly recommended that the reference process not be cut short and to be sure to determine what day the interviews will be conducted deciding who is needed for the interviews. From a management perspective Paula suggested considering a meet and greet with the main stakeholders for the top two or three applicants.

President Murry asked Paula how to sift through the recommendations objectively. Paula said there are many mine fields in the reference checks. Montana is one state that recognizes a qualified immunity. People often times are concerned about saying something negative, however, they really are immune from any kind of personal lawsuit as long as it is job related. She suggested having someone do reference checks prior to the interview process. Bob Morgan asked if it is possible to have someone work on a contract basis. Paula stated it is possible and she has a contract template. Jim Utterback asked Paula if MHS was able to pay a certain salary and a benefactor was willing to augment that salary, would there be legal stipulations. Paula stated she would have to have an agency lawyer look at this possibility and she would respond back to Jim Utterback.

Crystal suggested using the easel to highlight priorities the Board will be looking for in candidates. Jim Utterback recommended that a committee be appointed to work on finding applicants. Lee Rostad suggested that the Board concentrate on finding an interim director.

Ed Smith moved to have the Board proceed with the selection of a committee to consider a timeframe and job description to hire an interim director for MHS. Shirley Groff seconded the motion. Discussion took place on selecting a committee. Kent Kleinkopf suggested that the President of the Board ask for members who will be willing to sit on this selection committee. Jim Court stated we must move forward quickly. Ed Smith said the Board needs to get the names out to the public and those people interested in this position can come forward. Jennifer Bottomly-O'Looney hoped the staff could be involved in the process. Tom Nygard disagreed with Ed Smith regarding opening up the position of interim director to the public stating that the Board is trying to cover bases for an interim period. Lee Rostad suggested having a committee prepare a job description, and then they can come up with names of applicants for the interim director. She said that conference calls can be made to Board members so a decision can be made within the next week. President Murry announced that the

Board will be going into Executive Session and the names of individuals who have indicated an interest in being considered can be discussed. **Motion carried unanimously.**

Crystal Shors asked for Board members who have the time and interest to be on the working committee to prepare a job description and come up with names for an interim director. Janene Caywood suggested setting a timeline. The timeline was set for the end of October. President Murry suggested that the Board should go into Executive Session, review names submitted for possible applicants and then a committee will be appointed.

NEW BUSINESS

Lee Rostad moved approval of a Resolution to Create and Approve a Nationwide Advisory Council (handout is made a part of the permanent record). **Sharon Lincoln seconded the motion.** Lee explained that Ward Shanahan, Bob Brown and others have agreed to work on the committee and help solicit money. Lee commented that since we have people willing to work on this committee why not let them go to work. Jim Utterback stated harm could be done at this time because the most important part of fundraising is having a campaign structure. Tom Nygard said he is in full agreement with a National Advisory Board but he questions if the time is now. Lee Rostad wondered if the Board could pass the resolution and then sit on it. President Murry stated the Board could defer action until the next Board meeting. Consensus of the Board members was that this proposal is a good idea. President Murry wanted to suspend action of this resolution until there is more information. Janene Caywood thought it was best to withhold voting. Bob Morgan hoped to get running with a national committee so we could show financial backing. Lee Rostad noted that the Board will need to go national to get money raised for the new Heritage Center. Jim Court was in agreement with moving forward with this Resolution and offered a change in the wording. **Kent Kleinkopf moved a substitute motion. He moved to defer action this meeting on the Resolution to Create and Approve a Nationwide Advisory Council until the Board has the opportunity to review the issues involved including the legality authority. Janene Caywood seconded the motion.** Susan Near commented that a process to establish the council needs to be defined. **Lee Rostad withdrew her motion. Kent Kleinkopf withdrew his substitute motion.**

PUBLIC COMMENT

None

NEXT MEETING

Discussion was held on combining a special meeting with the January Board meeting. Lee Rostad requested information be distributed on what the new building will look like. President Murry explained that the consultants are in the process of developing the material. **Sharon Lincoln moved to have a special Board meeting on December 17, 2010 at 9:00 a.m. in the MHS auditorium. The Benefactor Consultants fundraising report will be presented to the Board. Crystal Shors seconded the motion and it carried.** Discussion was held on having a regular Board meeting in January, 2011.

Adjournment:

The meeting adjourned at 12:00 noon.